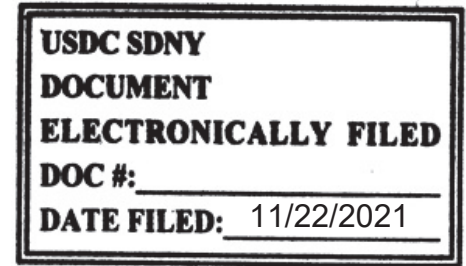


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November 19, 2021

VIA ECF

Honorable Robert W. Lehrburger
United States District Court
Southern District of New York
500 Pearl Street
New York, New York 10007

Re: *Garcia v. Village Red Restaurant Corp. d/b/a Waverly Restaurant, et al./*
Nieto v. Village Red Restaurant Corp. d/b/a Waverly Restaurant, et al.
Nos. 15 Civ. 6292 (RWL), 17 Civ. 2037 (RWL)

Dear Judge Lehrburger:

We represent Plaintiffs in the above-referenced matter. The parties jointly submit this status letter regarding Village Red Restaurant Corp. ("Waverly Restaurant") Chapter 11 bankruptcy.

As the Court is aware, the parties have been waiting for an opinion in the trial held in April 2021 in the adversary proceedings against Village Red Restaurant Corp., captioned *Graham v. Christine Serafis*, No. 20-01065 (MEW) and *Graham v. 135 Waverly Realty, LLC*, Adversary Proceeding No. 20- 01066 (MEW). As part of the Adversary Proceeding, the Plan Administrator asserted that Christine Serafis received transfers from Village Red that were fraudulent as to creditors and that Village Red made unauthorized payments to 135 Waverly Realty LLC that are recoverable by the Plan Administrator. Further, that there were a variety of fraudulent transfer claims and fraudulent conveyance claims under the New York Debtor and Creditor law.

On August 31, 2021, the Court rendered a post-trial decision in favor of the Plan Administrator entitling judgment against Christine Serafis and 135 Waverly Realty LLC in the cumulative amount of \$1,541,676.16. *See* Exhibit 1, Decision. Since then, the Plan Administrator has entered into a settlement agreement with Christine Serafis and 135 Realty LLC resolving the adversary claims asserted at trial for \$1,100,000 to be paid by December 31, 2021. *See* Exhibit 2, Settlement Agreement. The Bankruptcy Court approved the Settlement Agreement on November 8, 2021 and the parties are now awaiting payment. *See* Exhibit 3, Approval Order. The Employee Creditors, *i.e.* the Plaintiffs in *Neito* and *Garcia*, will receive a distribution from the settlement amount by the Plan Administrator and have agreed to dismiss their wage and hour litigations with prejudice upon receipt of that distribution. *See*, Ex. 2, § C.

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Accordingly, the parties request the Court keep this case in abeyance until the settlement payment is paid in full and distribution is made to Plaintiffs.

Respectfully submitted,

s/Vivianna Morales

Vivianna Morales

cc: All Counsel of Record (via ECF)
Lawrence Morrison (Bankruptcy Counsel for all Defendants) (via e-mail)

SO ORDERED:

 11/22/2021

HON. ROBERT W. LEHRBURGER
UNITED STATES MAGISTRATE JUDGE